

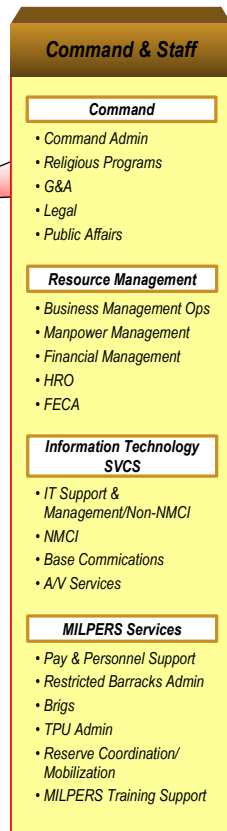
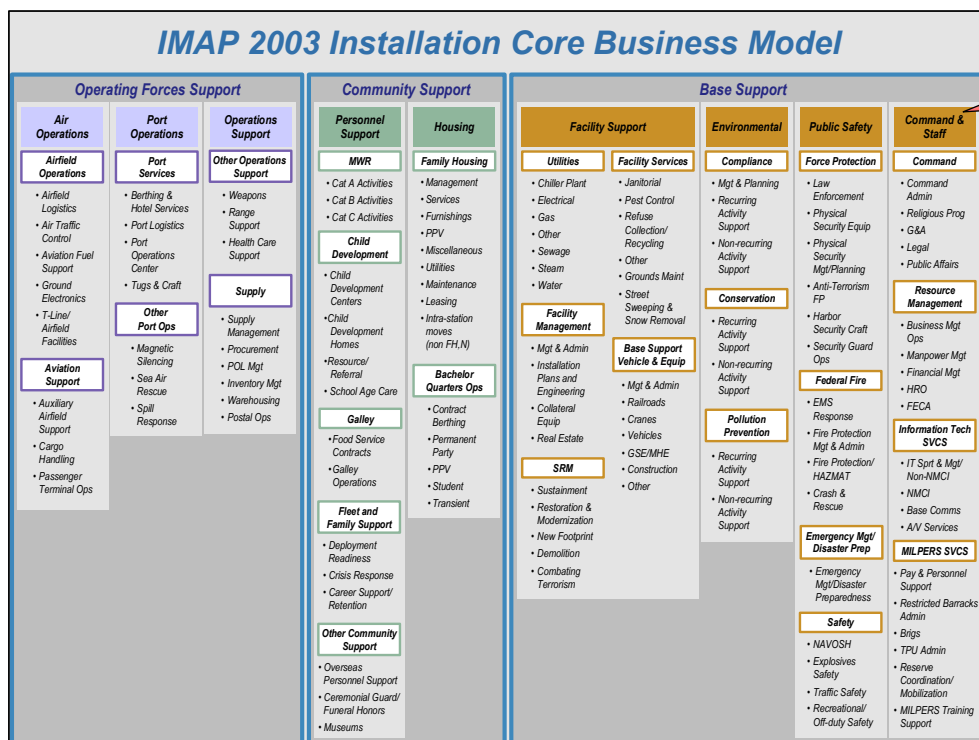
Chapter 9 – Command and Staff

Overview

The Command and Staff Installation Core Business Area provides direction, support, and services primarily to the installation staff, and includes those functions which are not managed as part of another major business area. Command and Staff is a part of the Base Support portion of IMAP. The Command and Staff functions and sub-functions are General and Administrative activities carried out on behalf of the command. The four primary functions within the Command and Staff Core Business Area are Command, Resource Management, Information Technology (IT) Services, and MILPERS Services.

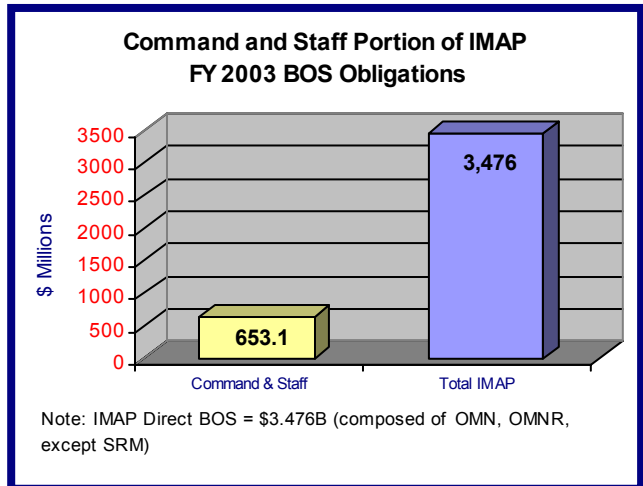


The very nature of the wide range of activities covered within this Core Business Area makes for difficulty in both oversight of the functions and sub-functions as well as the effective evaluation of performance for Command and Staff. With the development and approval of separate Special Interest Item (SII) codes for Command (CA), Resource Management (RN), IT Services (IT), and MILPERS Services (MS), these functions will have improved visibility through the entire budget process commencing in FY 2004. In both the POM-04 BAM and the PR-05 Capabilities Plan submissions from OPNAV N46, the inputs included expanded coverage of the requirements and the capabilities requisite for each of the four functions within the Command and Staff Core Business Area. This effort is significant as any prior emphasis to these activities was lacking prior to POM-04 and was definitely missing during the OPNAV N46 preparation of PR-03 in early 2001 for the FY 2003 requirements.



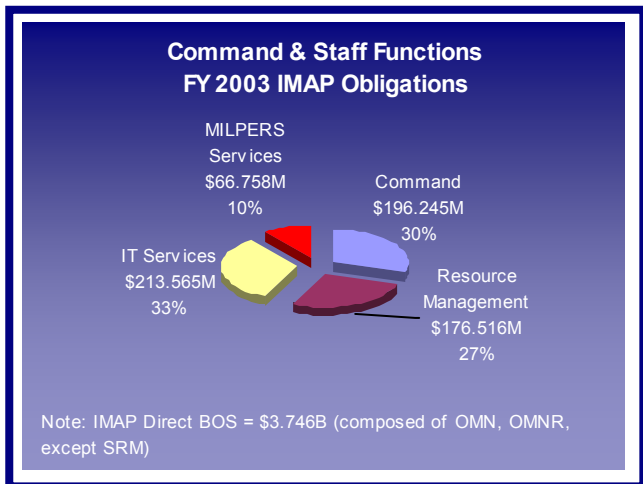
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As shown opposite, the Command and Staff Core Business Area represents approximately 20% of the total IMAP direct BOS obligations again in FY 2003. The total obligations of \$653.085M reported for the year are significantly more than those of FY 2002 at \$594.254M, with the major increase in funding for the Resource Management functions at a plus \$24.8M. The other three functions all showed increases of \$10M to \$13M in obligations for FY 2003. Overall, the more than ten percent increase in obligations for the Command and Staff Core Business Area approaches the stated FY 2003 requirements in the PR-03 BAM submission (\$704.59M).



The distribution of obligations amongst the four functions within the Command and Staff Core Business Area is very even with the exception of the MILPERS Services function, which at 10% of the total is the smallest. For all of these activities, the PR-03 readiness rating was set at C-3 for funding for FY 2003. The only programs with sufficient maturity to develop a performance data call for FY 2003 were the IT Services function and the Religious Programs sub-function of the Command function. For FY 2003, the overall performance for IT Services was at Capability Level 3 (score of 6.33 on a scale of 1 to 10), while the Religious Programs came in at a low Capability Level 2 (score of 7.02), albeit with little customer satisfaction input for this initial review of standards implementation. None of the other functions or sub-functions within this Core Business Area was in a position to measure performance in FY 2003. There are IPTs chartered for both the Command Admin sub-function and the Resource Management function.

The Command Admin IPT was re-instituted in FY 2003 and made an initial presentation to the IMWG in September 2003. The IMWG provided additional guidance for the IPT's future work in FY 2004. The IPT for Resource Management did not meet in FY 2003, as the majority of the membership of the IPT was heavily involved with the financial aspects of the CNI establishment. For FY 2003, one of the highlights of the year for this Core Business Area was the success of the Religious Programs IPT in developing standards, metrics, and capability level descriptors for the sub-function and having the SIPB/RCC approve these measures at its late September/early October 2003 meeting.



While progress was made across a number of functional areas within the Command and Staff Core Business Area, the efforts in this area more than most other Core Business Areas were centered on activities related to the establishment of CNI in FY 2003. This work had a significant impact in the Resource Management and the Command and Staff program areas in particular. While the progress toward CNI establishment and the work to assimilate new installations into the regions produced excellent results, the functional oversight of the details of the programming and execution for these areas suffered. For FY 2004, CNI must reactivate the Resource Management IPT and reinvigorate the Command Admin IPT to accelerate the development of standards and metrics for these key functional areas.

Product of the Plan

Command & Staff Summary

Command:

- Funded at C-3 readiness rating.
- Performance not measured, less the Religious Programs sub-function, which performed at Capability Level 2 in FY 2003.
- Religious Programs IPT developed standards, metrics, and Capability Level Descriptors – approved by the SIPB/RCC.
- Command Admin IPT must work all of these sub-functions; currently little oversight for \$196M.

Resource Management:

- Funded at C-3 readiness rating.
- Performance not measured.
- Regional Business Managers set to assume a major role within CNI.
- HRO study in progress to address the HR community support to CNI.
- ABC/M requires a CNI decision on a common approach across SIM.
- The Resource Management IPT must be reactivated to work all sub-functional areas.

IT Services:

- Funded at C-3 readiness rating for FY 2003
- Performed at Capability Level 3 in FY 2003, meeting expectations.
- Continued NMCI implementation across CNI.
- Developed overall CNI IT architecture plan.
- Commenced CNI initiatives on server and application portfolio reductions.
- Highlighted concerns with the funding for BLII across OCONUS regions.

MILPERS Services:

- Funded at C-3 readiness rating; Performance not measured; Met mission requirements.
- Over two-thirds of MILPERS obligations were for Pay and Personnel Support sub-function.
- Significant increases in the FY 2003 OM,NR spending by NAVRESFOR to support Operation Iraqi Freedom (OIF).
- Increased visibility for this function required.



Command

Scope of Program

Within the Core Business Area of Command and Staff, the Command function includes sub-functions and activities that support the installation staff or the Commanding Officer.

Command
➤ Command Admin
➤ Religious Programs
➤ G&A (General & Administrative)
➤ Legal
➤ Public Affairs

Command Admin: The Command Admin sub-function includes all activities providing direct support to the Office of the Commanding Officer.

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Command Admin also includes activities in support of the Executive Officer and central command administration office. Specific activities included are Command Master Chief (CMC), DAPA, Command Managed Equal Opportunity (CMEO), Total Quality Leadership, Career Counseling, and Command Evaluation. Also included are Cost Account Codes for 1st LT/Self Help and for the administration of Host Nation Support agreements.

Religious Programs: This sub-function covers all activities that provide religious support to military personnel, dependents, and retirees. It includes religious services, counseling, and other activities conducted by the installation Chaplain and staff. There is one Cost Account Code (CAC) to cover this entire sub-function.

G & A: The G & A sub-function includes general and administrative activities of the command not reasonably chargeable to other sub-functions at this time. This very broad, but varied sub-function has some 27 Cost Account Codes (CACs) covering costs for activities ranging from admin TAD travel to incentive awards to civilian severance pay to costs for bridge, roads, streetcars and ferry tolls.

Legal: This sub-function addresses activities involved in the operation of the installation's legal office in support of the command and installation staff. The Legal sub-function cover two areas each with its own Cost Account Code (CAC): the efforts and costs related to the operations of the legal office; and the costs identified with civilian and military witnesses.

Public Affairs: The Public Affairs sub-function includes strategic communication planning and execution for SIM mission as well as for tactical activities involved in the daily operation of the regional and installation's media relations, internal communications, community outreach, special events and, in many instances, protocol services, within their respective geographic areas.

Progress in FY 2003

During FY 2003, the Command function of the Command and Staff Core Business Area was consumed by the necessary actions related to the

stand-up of CNI. Within Command Admin the focus was on setting the requisite staffing for CNI and on establishing the Mission, Functions and Tasks for the various elements of the new command.

One of the highlights within the overall Command function in FY 2003 was the work of the Religious Programs IPT, which is dual-chartered in partnership with the Chief of Chaplains. The new OPNAV instruction for Religious Ministry in the Navy was signed out in May 2003 (OPNAVINST 1730.1D), and the Religious Ministry Tasks implemented in this new instruction were used to form the basis for the standards and metrics. Additionally, the IPT developed a macro metric and detailed Capability Level Descriptors for the program. All of this work was approved by the SIPB/RCC at its 30 September/ 1 October 2003 meeting.

One of the other highlights was the continued strong performance within the Public Affairs sub-function related to the stand-up of CNI. Developed in concert with CHINFO, the CNI Public Affairs Guidance was developed to clearly outline the rationale for why the Navy needed CNI and to outline the establishment schedule, talking points, and questions and answers (Q & A's). The staff also developed a new CNI Web-site at <http://cni.navy.mil/>. In addition, the new CNI Insights Newsletter has been published.

Assessment and Performance

Command BOS Direct Funding Obligations from IMAP		
	FY 2002 Obligations	FY 2003 Obligations
Command Admin	\$116.407M	\$121.444M
Religious Programs	\$7.255M	\$7.154M
G & A	\$44.460M	\$47.687M
Legal	\$6.328M	\$7.597M
Public Affairs	\$11.534M	\$12.363M
TOTAL Command	\$185.984M	\$196.245M

Command Admin: The Command Admin sub-function was entitled "CO/XO/Admin" under the Command Support Core Business Area for the PR-03 BAM submission by OPNAV N46. The stated requirement for FY 2003 was set at \$72.521M or 90% of the full requirement submitted by the IMCs. The reported direct IMAP BOS obligations for FY 2003 for the Command Admin sub-function

were at \$121.444M. These FY 2003 obligations for Command Admin were \$7M more than in FY 2002. More importantly, the FY 2003 obligations were nearly \$49M more than the stated requirements for Command Admin. There is a need for greater consistency in reporting of obligations under Command Admin sub-function.

For FY 2003, several areas contributed significantly to the total obligations for the Command Admin sub-function. The Command and Executive Offices obligations increased from \$27.21M in FY 2002 to \$31.31M in FY 2003. The obligations for Command Management Operations were increased by \$20.58M to \$23.6M in FY 2003. Host Nation Support was recorded under this sub-function in FY 2003 at \$20.2M.

The Command Admin IPT will need to take action to bring this sub-function under control and to develop meaningful standards and metrics to cover these activities. There was no evaluation of performance through a performance data call for Command Admin in FY 2003 for a sub-function that had obligations that were over \$49M more than the submitted requirements.

Religious Programs: The Religious Programs sub-function was shown as the "Religious Activities" sub-function under the MILPERS function as a part of the Community Support in the PR-03 BAM submission. The six major task areas in Religious Ministry are:

- Command Advisory
- Religious Ministry & Accommodation
- Outreach
- Pastoral Care
- Training & Education
- Supervisory & Management

The stated requirement for FY 2003 was at \$7.964M. For FY 2003, the recorded obligations for the Religious Programs sub-function came to a total of \$7.154M. These obligations were very close to those of FY 2002 (\$7.255M). Clearly, the programming and budgeting processes for the Religious Programs sub-function are providing a requirements statement that is close to the actual observed obligations.

Religious Programs provided significant support to OIF during the fiscal year as sailors and family members faced increased needs for pastoral support in the face of extended and short notice deployments. To respond to the challenge to support the mission, Installation Chaplains worked with their Commands to develop unique and innovative programs to support the needs of families. These included extended services from installation chapels and development of new programs which were facilitated by Regional Chaplains Religious Enrichment Development Operation (CREDO) operations. CREDO provides opportunities to maximize personal growth, strengthen family life, and develop life-skills needed to ensure long-term organizational success. The operation is in direct support of recruiting, readiness, retention, and unit cohesion initiatives and utilizes spiritually based resources. It is available to sea service personnel and their family members regardless of denominational or faith group background.

Reserve Chaplains and Religious Program Specialists were mobilized at several installations to provide support in the face of increased demands. CREDO teams deployed to meet returning ships and provide extensive opportunities for Sailors to prepare for return after stressful deployments using a spiritually based counseling model. These programs complemented the efforts of Fleet and Family Service Centers and were conducted in cooperation with Marine commands when working with amphibious units. The operational CREDO ministry touched the lives of over 90,000 Marines and sailors as they sought to prepare for return to life at home from war time service.

Religious Ministry Teams proved time and again this year that they assist the commander in providing essential service to operational forces during times of peace, war and emergency operations.

During FY 2003, the Religious Programs IPT developed the guidelines for the initial performance data call for this sub-function. The overall results indicate a performance score of a low Capability Level 2 in FY 2003. This result did not include Command and Customer Satisfaction surveys for Religious Programs as they have not yet been fully developed. The full performance results by region are as shown in the accompanying chart.

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Religious Programs Overall Performance By Region		
Region	FY 2003 Performance: Score	FY 2003 Performance: Capability Level
Northeast	6.66	CL 3
NDW	8.09	CL 2
Mid-Atlantic	5.15	CL 3
Southeast	7.52	CL 2
Northwest	6.56	CL 3
Southwest	7.28	CL 2
Midwest	5.03	CL 3
Gulf Coast	8.16	CL 2
South	6.13	CL 3
Hawaii	8.37	CL 2
Japan	7.06	CL 2
Korea	7.96	CL 2
Guam	5.64	CL 3
Europe	7.12	CL 2
Southwest Asia	8.87	CL 2
Overall Performance	7.02	CL 2

G & A: The G & A (General and Administrative) sub-function was also under the Command function and the Command Support Core Business Area in the development of the PR-03 BAM submission. This sub-function picks up a wide variety of diverse activities in its many Cost Account Codes (CACs), but lacks rigor in terms of how the obligations are accounted for in execution. The G & A requirements developed for FY 2003 and submitted by OPNAV N46 showed a funding level of \$86.239M, or 90% of the full requirement. For FY 2003, the total IMAP direct BOS obligations reported for the G & A sub-function were \$47.687M or just over 55% of the stated requirement and \$3M more than in FY 2002.

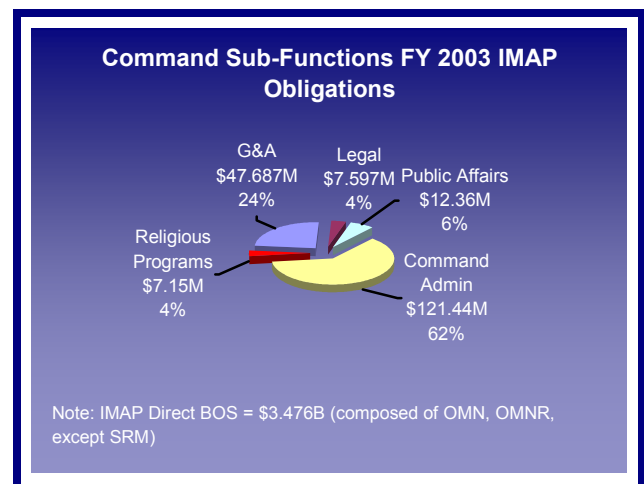
The delta between the G & A obligations and the stated requirements remained fairly constant between FY 2002 and FY 2003. However, the entire G & A sub-function and all of its activities require an in-depth review by CNI and the Resource Management IPT.

Legal: The Legal sub-function represents a small portion of the overall Command function. It was also a part of the Command Support Core Business Area in PR-03. The BAM submission from OPNAV N46 detailed a requirement for the Legal sub-function at

\$7.994M. For the second year in a row, the recorded direct IMAP BOS obligations for the Legal sub-function were very close to the stated requirement. The FY 2003 obligations for Legal were \$7.597M or \$1M more than in FY 2002. It is noteworthy here that in FY 2003 there were \$787K in obligations for witness fees within the Legal sub-function, an increase of over \$330K.

Public Affairs: The Public Affairs sub-function was included under the Command Support Core Business Area in the BAM submission for PR-03. The total requirements submitted in PR-03 by OPNAV N46 for Public Affairs for FY 2003 were \$12.826M. This was a 25 percent increase over the previous POM-02 submission for FY 2002. For FY 2003, the total IMAP BOS direct obligations were \$12.363M. This total reflects close alignment with the previous year's obligations. The total Public Affairs obligations in FY 2003 included \$16.5K to support the cost of instrument and accessories for bands. The highest Public Affairs costs were in the larger regions (Southwest, Southeast, and Mid-Atlantic) – all around \$1.5M.

Command Funding			
FY 2003	FY 2003	FY 2003	FY 2003
Full Mission Requirement from IMCs	OPNAV N46 BAM Requirement	Special Interest Item for "OB" (For FY 2004, SII = "CA")	IMAP Obligations
\$205.544M	\$187.544M		\$196.245M



Command:

- Funded at C-3 readiness rating.
- Performance not measured except for the Religious Programs sub-function, which performed at Capability Level 2 in FY 2003.
- During FY 2003, the Religious Programs IPT developed standards, metrics, and Capability Level Descriptors – approved by the SIPB/RCC.
- The Command Admin IPT reactivated and briefed initial progress to the IMWG.
- Command Admin IPT must actively work all sub-functional areas to develop standards and metrics and to better align requirements with executed obligations.
- There is a need for greater oversight in this area which comprises \$196M in obligations.

Resource Management

Scope of Program

The Resource Management function under the Command & Staff Core Business Area includes sub-functions and activities that provide financial and human resource management services for the installation staff.

Resource Management
➤ Business Management Operations
➤ Manpower Management
➤ Financial Management
➤ HRO
➤ FECA

Business Management Operations: This sub-function includes activities involved with management of the installation or regional business functions. It may include civilian and military personnel. It also includes planning, management and performance of business process improvements and strategic sourcing.

Manpower Management: The Manpower Management sub-function consists of activities involved with manpower management of the installation's civilian and military personnel. It includes planning and management of the command's civilian and

military personnel authorizations, billet structure, and related activities.

Financial Management: This sub-function addresses activities that provide installation financial planning, management analysis, budget, accounting and disbursing services. It includes tenant support agreements and the management and administrative activities that support the Financial Management function.

HRO: The HRO (Human Resources Office) sub-function includes activities that provide civilian personnel management and labor relations services for the installation via the supporting HRO. It includes Civilian Personnel Security Clearance support.

FECA: The FECA (Federal Employees Compensation Act) sub-function includes payments to the Department of Labor for Navy civilian employee injury compensation under the Federal Employees' Injury Compensation Act.

Progress in FY 2003

During the course of FY 2003, the emphasis for the managers of the programs and activities within the Resource Management function was on the stand-up of CNI by the beginning of FY 2004. This was true for the Regional Business Managers at the Navy's regions across the globe as they sought to prepare for the challenges of assimilating new installations

from the divesting claimants and the funding realities for the upcoming years of FY 2004 and FY 2005. The Regional Business Managers now form the basis of the new IMWG in support of CNI. RADM Weaver has challenged the Regional Business Managers to help to define the roadmap for the future for CNI. He sees the Business Managers as the ones to lead the resource decisions within CNI – with the Comptrollers providing financial execution of approved programs and financial support to Business and Program Managers. The Regional Business Managers set the framework for CNI's initial Capabilities Based Budgeting (CBB) initiated at the end of FY 2003 through the IMWG. This CBB was a first for CNI and set in motion actions for the future in how best to develop a zero-based review for SIM. The results of the CBB review also allowed CNI to establish further funding guidance for FY 2004.



The Resource Management IPT was tasked in its Charter to develop a resource management knowledge information technology (IT) tool for use by all claimants/regions/installations. The IPT was further tasked to develop an implementation plan once the final prototype is finalized and tested. Through an extensive evaluation process, the IPT made the decision to integrate existing MIS systems into a new system – the Resources Management Knowledge System (RMKS). RMKS is a web-based application that creates execution reports from the data that comes from the STARS-FL system on a daily basis. Using the Installation Core Business Model, these reports provide regional comptrollers with current financial execution data and promote financial communications with regional Program Managers.

The RMKS system is not an execution system. As such, further working groups will attempt to formulate a single system solution for CNI to perform execution, budgeting and management information.

The ultimate system will help reduce data calls, provide value-added services to authoritative STARS-FL financial data, foster a credible baseline for requirements generation, and standardize a management system to track funds from requirements generation, through budgeting, to execution and review. The system chosen will be the authoritative source for the following types of data:

- Financial requirements in support of POM, PR and BAM processes.
- Unfunded requirements in support of budgeting and mid-year review business processes.
- Fund usage data.

The Resource Management IPT was also tasked to develop standards (and metrics) for the sub-functions of Business Management Operations, Manpower Management, and Financial Management. This tasking has not been completed and remains an outstanding action for the IPT under the direction of CNI.

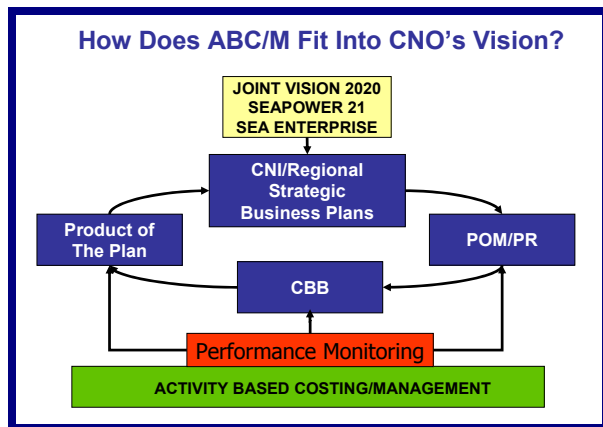
Another responsibility of the Resource Management IPT (per its Charter) was to participate in the process of adopting an ABC/M tool for the SIM community. To date, the process of developing a SIM-wide Activity-Based Costing (ABC) and progressing towards Activity-Based Management (ABM) has been led by the COMPACFLT and COMLANTFLT N46 offices with implementation across the regions on a regional basis.

In the Pacific, all regions have implemented ABC as scheduled and within budget. These regions are developing Key Performance Indicators (KPIs) with the active involvement of local Configuration Management Boards. They have also purchased all of the requisite software and have no ongoing licensing requirements. Applications in these regions include:

- Commander Navy Region Hawaii:
 - Identified resource shortfall – Kings Bay
 - Outsourcing Port Ops – baseline cost of activities
 - Identified resources performing non-core activities
 - PMRF – cost of daily range support
- Commander Naval Forces Japan:
 - Identified significant level of potential reimbursables
 - ISA rates set/adjusted

- Used to develop Business Case Analysis for Yokosuka tug outsourcing
- Commander Navy Region Northwest:
 - Realigned HR resources to focus on core mission
- Commander Navy Region Southwest
 - Cost of oil spill clean-ups
 - Link to CBB (Legal)
 - Improved visibility of internal resources and processes
- Commander Navy Region Marianas
 - Improved contract oversight

In the regions within the Atlantic AOR, the Southeast Region is fully up and using ABM. The ABC tool has recently been deployed to CNRNE, CNRMA, and to NDW. This “East Coast” model of ABC/M uses IT tools centrally hosted and managed by the Navy. Additional installations can be added without contractor support. All model capabilities are available on the web and the model complies with DON CIO regulations.



These capabilities, for example, also allow for determining costs associated with a reimbursable tenant at an installation or the full costing for operating an outlying field. The following analytical and predictive tools are being developed for East Coast Regional Managers:

- Capability Level readiness model
- Capability Level readiness reinvestment model
- Activity based budgeting model
- Budget to actual comparisons model
- Output based performance costing model
- Macro-metrics cost model

CNI is now considering the following ideas for pulling these two regional approaches together:

- Merge east coast and west coast models into CNI model
- Develop benchmarking methodology
- Discuss ‘Best of Breed’ methodology and processes
- Apply ‘Best of Breed’ methodology and processes

Throughout the course of FY 2003, the entire HRO organization of the Navy played a key role in the CNI stand-up. HRO expertise was provided to the leadership involved in the oversight of the CNI implementation on the Executive Oversight Group (EOG), responsible to OPNAV N4 for executing the overall implementation. Throughout the last six months of FY 2003, the Human Resources (HR) community worked to establish guidelines for personnel at the divesting claimants and OPNAV N46 directly impacted by the establishment of CNI. The HR organizations throughout allowed for the expedient personnel actions necessary for the CNI stand-up.

During the CNI establishment, a number of actions were taken to ensure that all appropriate BOS funding was transferred to CNI from the divesting claimants. Decisions were made on what functions and activities remained as “Mission” funded under the divesting claimants and on those that were truly BOS and should be transferred to CNI. Several of these decisions were significant for the HR community and for MILPERS Services Support as well. The CNI vision for HR was:

- One HRO per region
- End-to-end accountability
- Consolidation of HRO service delivery
- Reduction of fragmented HR support

The CNI objectives for an optimum HR organization:

- Responsive to customer’s current and future environment
- Best use of diminishing returns
- Elimination of duplicated efforts

At the end of FY 2003, CNI and the Deputy Assistant Secretary of the Navy (Civilian Human Resources) had established guidelines for the development of HR service delivery for CNI. Future

work will include an HR study on service delivery that will address the following factors:

- Passage of time since the HR Functionality Assessment;
- The creation of CNI;
- The potential passage of the National Security Personnel System.

No organizational changes in the HR community are planned until the study is completed in early 2004.

The CNI stand-up did see the transfer of the Personnel Support Activities from the divesting claimants to CNI. This transfer is addressed further under the MILPERS Services function.

Assessment and Performance

Resource Management BOS Direct Funding Obligations from IMAP		
	FY 2002 Obligations	FY 2003 Obligations
Business Management Operations	\$0	\$29.093M
Manpower Management	\$10.899M	\$13.355M
Financial Management	\$90.994M	\$87.275M
HRO	\$42.555M	\$45.354M
FECA	\$6.881M	\$1.368M
TOTAL Resource Management	\$151.329M	\$176.444M

Business Management Operations: The Business Management sub-function is new and was not a part of the PR-03 BAM submission. The activities under this sub-function were included under the “CIVPERS Management” sub-function for FY 2003. In the POM-04 BAM and the PR-05 Capabilities Plan submissions by OPNAV N46, the total requirements for Business Management Operations were not highlighted at all under the Resource Management function. The total obligations for FY 2003 for the Business Management Operations sub-function were recorded at \$29.093M. As the Business Management Operations sub-function matures within IMAP, it is incumbent for the Resource Management IPT and the IMWG to examine closely how this sub-function is funded and to develop standards and metrics for the sub-function.

Manpower Management: The Manpower Management sub-function was included in the PR-03

BAM submission as a part of “MIL/CIV Manpower Management”. The total requirement for FY 2003 submitted by OPNAV N46 was \$22.386M. In POM-04, the requirement for the Manpower Management sub-function for FY 2004 was \$8.988M. The FY 2003 recorded direct IMAP BOS obligations for Manpower Management were at \$13.355M. Here is another area with insufficient oversight, requiring additional work by the Resource Management IPT and by CNI.



Financial Management: The Financial Management sub-function was detailed in the PR-03 BAM submission as a sub-function within the Resource Management function. The OPNAV N46 submission for FY 2003 showed a requirement of \$93.675M for the Financial Management sub-function. The total obligations from IMAP for FY 2003 are reported at \$87.275M. These total obligations for FY 2003 are considerably less than the FY 2002 obligations for the Financial Management sub-function (\$90.717M). This is another area for CNI to review. The Financial Management reporting shows little consistency in how regions are reporting under the Cost Account Codes (CACs) of Accounting, Budget, and Comptrollership.

The difficulties within the Financial Management function have helped to highlight the need to reactivate the Resource Management IPT in an effort to resolve the inconsistencies across the entire Resource Management function.

HRO: The HRO sub-function was included within the Resource Management function in the PR-03 BAM submission for FY 2003. However, the HRO activities were under the overall umbrella sub-function of “CIVPERS Management” and were not split out as a separate sub-function. For the POM-04

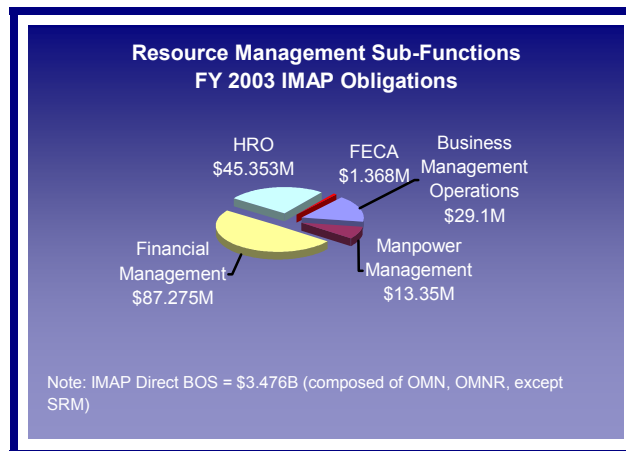
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BAM submission, OPNAV N46 provided a detailed requirements statement for the Resource Management function which included detailed requirements for the HRO sub-function. This was not done in the PR-05 Capabilities Plan submission as the HRO sub-function was lumped together with the other sub-functions in Resource Management less the FECA sub-function. The POM-04 requirement for FY 2004 was stated as \$47.74M for the HRO sub-function, which is close to current obligations. For FY 2003, the recorded direct IMAP BOS obligations for the HRO sub-function were \$45.353M. This total was nearly \$3M more than in FY 2002. Over 60% of the HRO obligations are recorded under the Cost Account Code (CAC) for HRO Administration.

FECA: The FECA sub-function was also not detailed in the PR-03 BAM submission by OPNAV N46. The FECA sub-function was given close scrutiny during the review of BOS and Mission funding for the stand-up of CNI during FY 2003. The decision has been made for CNI to centrally manage the FECA sub-function for all of the regions commencing in FY 2004. The overall FY 2003 direct IMAP BOS obligations for the FECA sub-function were recorded as \$1.368M. While this is less than 20% of the total recorded for FY 2002 (\$6.881), a large portion in FY 2002 was attributed to NAVAIR (\$10M), which did not record any FECA costs in IMAP for FY 2002. The FECA sub-function reported obligations highlighted an issue of poor reporting and imprecise requirements development throughout the Resource Management function. For POM-04, OPNAV N46 submitted a requirement for the FECA sub-function of \$92M for FY 2004. The FY 2005 requirement in PR-05 for FECA was \$91M. Of note, beginning in FY 2004, the Department of Labor (DOL) will charge each DOD agency a FECA surcharge. This

surcharge is designed to offset the administrative costs that DOL has for FECA management.

Resource Management Funding			
FY 2003	FY 2003	FY 2003	FY 2003
Full Mission Requirement from IMCs	OPNAV N46 BAM Requirement	Special Interest Item for "OB" (For FY 2004, SII = "RN")	IMAP Obligations
\$255.97M	\$230.372M		\$176.444M



Resource Management:

- Funded at C-3 readiness rating.
- Performance not measured for FY 2003.
- Resource Management staffs at all levels heavily involved with CNI stand-up during the year.
- Regional Business Managers set to assume a major role within CNI.
- HRO study in progress to address the HR community support to CNI.
- CNI is set to make important decisions on ABC/M implementation across all regions.
- The Resource Management IPT must be reactivated to work all sub-functional areas.

Information Technology (IT) Services

Scope of Program

Within the Core Business Area of Command & Staff, the IT Services function includes sub-

functions and activities that provide installation-wide information services.

IT Services
➤ IT Support & Management/Non-NMCI
➤ NMCI
➤ Base Communications
➤ A/V Services

IT Support and Management/Non-NMCI: This sub-function covers all activities involved in the management of the Information Technology (IT) Service functions not covered by NMCI. It includes costs of hardware, software, personnel, material and services for all core business areas.

NMCI (Navy Marine Corps Intranet): The NMCI sub-function includes all NMCI contract, contract management and oversight costs.

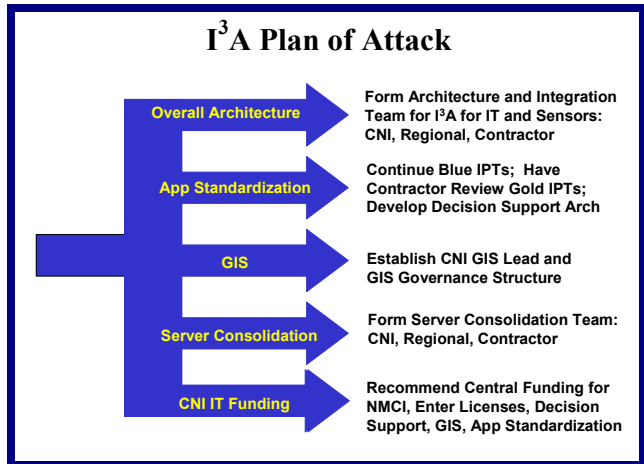
Base Communications: This sub-function addresses activities that operate, equip, maintain and manage the base communications office (BCO). It includes activities that provide base-level administrative telephone services to Navy and non-Navy customers. The Base Communications sub-function also includes the operation, maintenance, and management of switches and on-base telephone cable plants. The sub-function also covers the operation of “centrally managed” intercommunication systems such as intercoms, walkie-talkies, electronic pagers and other communications devices.

Audio/Visual Services: The A/V services subfunction includes activities that provide CATV, AFRTS, printing, graphics, and audio visual services.

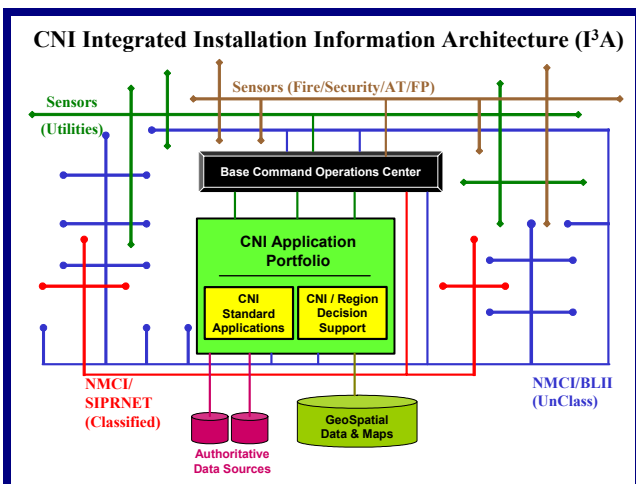
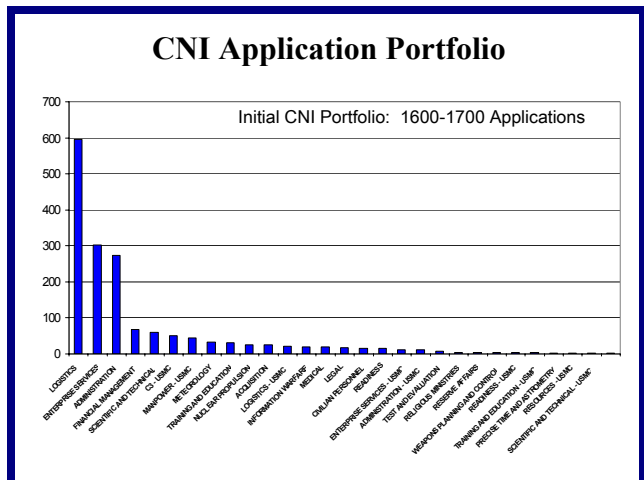
Progress in FY 2003

During FY 2003, the Program Managers for SIM and CNI IT Services were developing the overall CNI IT structure and outlining the way ahead for future IT architecture for CNI. One of the stated goals for the CNI IT is the development of the CNI Integrated Installation Information Architecture.

The overall goal is to also get each region within CNI up to the same level of IT capability.



At the same time, CNI will lead the way in reducing the overall number of IT applications within the regions.



The continued introduction of the Navy Marine Corps Intranet (NMCI) across the Navy and in the regions was the major program development within the IT function in FY 2003. Key elements of the NMCI program included:

- Navy Leadership driving NMCI execution.
- NMCI Executive Committee: ASN (RDA) and VCNO.
- VCNO: Senior leaders must get engaged, remove obstacles.
- Emphasis on joint scheduling with NMCI contractor EDS.
- Commands accountable for schedule execution.

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- CNI IT Governance Serial 003 on NMCI: Released by CNI.

For the BLII (Base Level Information Infrastructure) at the Navy's OCONUS regions, both COMPACFLT and COMUSNAVEUR have led the way in setting the work in progress.

- COMPACFLT and COMUSNAVEUR have lead for operations & maintenance
- NETWARCOM, and NNSOC to take over operations and maintenance in FY05/ FY06.
- CNI involved due to BOS funded RITSC staff role
- Major funding shortfall for BLII

CNI actions were also initiated to assess the use of Geo-spatial Information Systems (GIS) within the CNI claimancy. The purpose is to:

- Assess how GIS is being utilized within CNI functional areas.
- Develop a CNI standard for GIS technology.
- Develop CNI GIS policy regarding investment in GIS technology & systems.

The issue here is that CNI may be paying for the same GIS map 3 or 4 times due to the stove-piped nature of GIS usage within the various functional areas. CNI wants to maximize its investment by paying for a GIS map once and only once and to enable all functional areas to re-use CNI standards GIS maps. CNI has started to review GIS usage by functional areas and to compare and contrast technology and standards, while determining what the CNI standard should be.

At the end of FY 2003, the CNI CIO priorities were as follows:

- Recruit, hire and stand-up CNI CIO Staff
- Publish initial IT guidance to field on applications
- Develop MOUs with Claimants regarding:
 - NMCI Transition (Seats, Schedule, Costs); NMCI FY04 Orders
 - Claimant applications transitioning to NMCI
 - PACFLT billet issues
- Develop an application funding profile for FY04 execution
- Develop SIM/BOS application portfolio

- Develop SIM IT requirements for POM-06
- Establish standard applications for SIM functional areas
- Migrate PSD/PSAs IT orgs into the regions
- Establish CNI IT Governance council
- Develop CNI GIS strategy
- Establish SIM decision support requirements
- Develop enterprise integration plan for SIM
- Develop server migration plan for CNI
- Develop long term application development/sustainment plan

Assessment and Performance

IT Services		
BOS Direct Funding Obligations from IMAP		
	FY 2002 Obligations	FY 2003 Obligations
IT support and Management/Non-NMCI	\$139.443M	\$152.835M
NMCI	\$0M	\$11.598M
Base Communications	\$54.398M	\$44.972M
A/V Services	\$6.031M	\$4.160M
TOTAL IT Services	\$199.872M	\$213.565M

IT Support and Management/Non-NMCI: This sub-function was included under the heading of "ADP" in the PR-03 submission. It was not further detailed at that time and the total requirement for FY 2003 was set at \$212.509M. For FY 2003, the IT Support and Management/Non-NMCI obligations were \$152.835M or over \$13M more than that reported in FY 2002.

NMCI: The NMCI sub-function was not addressed in PR-03. The reported direct IMAP BOS obligations in FY 2003 for NMCI were at \$11.598M. For FY 2004, CNI has decided to manage NMCI implementation and crossover centrally.

Base Communications: The Base Communications sub-function was included in the OPNAV N46 PR-03 BAM submission under the Info Services function. The Base Communications requirement for FY 2003 was stated as \$64.219M. For FY 2003, the overall obligations for Base Communications were reported as \$44.972 M or a decrease of nearly \$10 M from FY 2002.

A/V Services: The Audio/Visual (A/V) Service sub-function was addressed in the PR-03 BAM submission as "Audio/Visual/Printing" as a portion of the

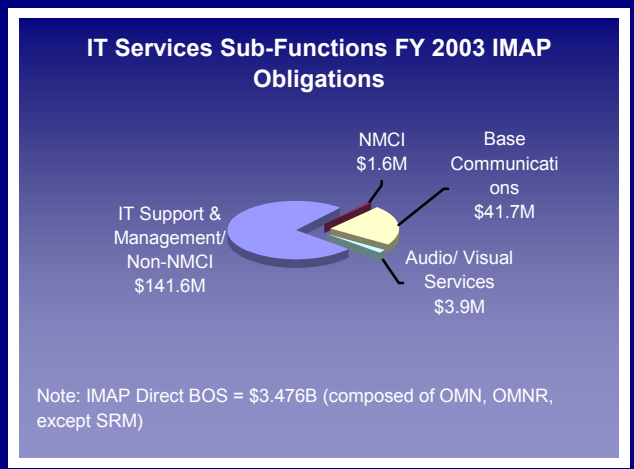
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Info Services function. The total requirement submitted for FY 2003 was set at \$2.911M. The direct IMAP BOS obligations reported for A/V Services in FY 2003 were \$4.16M or over \$1M more than the stated requirement. These FY 2003 obligations were, however, \$2M less than the reported obligations in FY 2002.

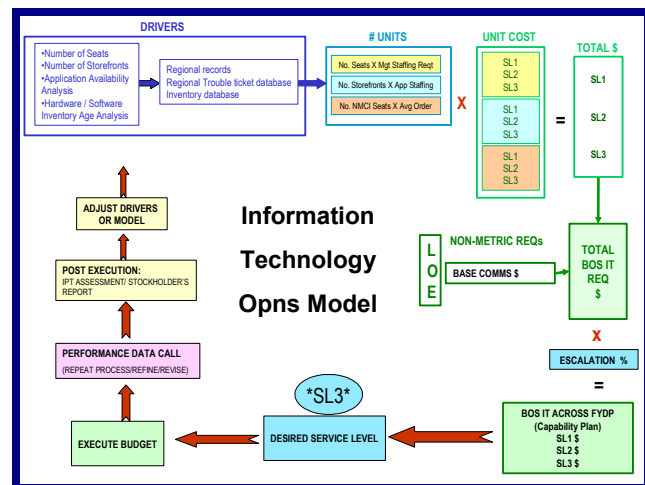
In FY 2003, the IT Services performance for the entire Navy was at a Capability Level 3 (6.33 out of 10). The overall IT Services performance by region in FY 2003 is as shown in the accompanying chart:

IT Services Overall Performance By Region		
Region	FY 2003 Performance: Score	FY 2003 Performance: Capability Level
Northeast	5.75	CL 3
NDW	10.00	CL 1
Mid-Atlantic	5.50	CL 3
Southeast	5.00	CL 3
Northwest	6.00	CL 3
Southwest	6.50	CL 3
Midwest	8.50	CL 2
Gulf Coast	6.50	CL 3
South	5.50	CL 3
Hawaii	6.50	CL 3
Japan	5.50	CL 3
Korea	N/A	N/A
Guam	5.50	CL 3
Europe	6.00	CL 3
Southwest Asia	N/A	N/A
Overall Performance	6.33	CL 3

Information Technology (IT) Services Funding			
FY 2003	FY 2003	FY 2003	FY 2003
Full Mission Requirement from IMCs	OPNAV N46 BAM Requirement	Special Interest Item for "OB" (For FY 2004, SII = "IT")	IMAP Obligations
\$310.71M	\$279.639M		\$213.565M



During FY 2003, the OPNAV N46 staff completed the initial Verification and Validation Process submission to OPNAV N8 on the Base Operating Support Performance and Pricing Models. The overview of the model for the IT Services function is shown below. Note that Service Levels changed to Capability Levels beginning in FY 2004.



IT Services:

- Funded at C-3 readiness rating for FY 2003
- Overall performance in FY 2003 at Capability Level 3.
- Continued NMCI implementation across CNI during FY 2003.
- Developed overall CNI IT architecture plan.
- Commenced CNI initiatives on server and application portfolio reductions.
- Highlighted concerns with the funding for BLII across OCONUS regions.

MILPERS Services

Scope of Program

Within the Core Business Area of Command and Staff, the MILPERS Services function includes the sub-functions and activities providing base-wide military personnel support by the installation. The six sub-functions within MILPERS Services are as follows:

MILPERS Services	
➤	Pay and Personnel Support
➤	Restricted Barracks
➤	Brigs
➤	TPU Admin
➤	Reserve/Coordination/Mobilization
➤	MILPERS Training Support

Pay and Personnel Support: This sub-function includes all activities that support pay and personnel services for eligible personnel in the local area. The Pay and Personnel Support sub-function includes the operation of existing Personnel Support Detachments (PSDs) when assigned to the installation. It also includes activities involved in the operation of base-wide alcohol abuse education programs and other similar services provided to military members. The Cost Account Codes (CACs) for this sub-function were expanded and modified for FY 2004.



Restricted Barracks Administration: This sub-function includes activities that use installation BOS funds to provide Restricted Barracks services for the local area. In FY 2003, the only two commands again reporting any obligations for Restricted Barracks Administration were SUBASE New London and NAVST Guantanamo Bay. The same held true in FY 2002.

Brigs: The sub-function for Brigs addresses activities that use installation funds to operate a Brig. The mission of the Brig is to ensure the administration, security, good order, discipline, and safety of male and female prisoners and detained personnel from all military services; to retrain and restore the maximum number of personnel to honorable service; to prepare the remaining prisoners for return to civilian life as productive citizens. Waterfront Brigs/Level I Confinement Facilities are located on operating Navy or Marine Corps installations to service local needs and normally contain a Correctional Custody Unit (CCU) and a short term confinement facility that houses pretrial detainees, prisoners who will return to duty, or prisoners who are being discharged after serving short sentences, usually less than a year. Programs emphasize military discipline, training, work, and skills needed to succeed in the military environment.



TPU Administration: The TPU Administration sub-function includes all BOS resources provided by a region or host command in support of a tenant-operated Transient Personnel Unit (TPU). Navy TPU's expeditiously process Sailors for return to the Fleet or separation. In support of the fleet, TPUs process both non-disciplinary Transient and disciplinary Transient Sailors.

Reserve Coordination/Mobilization: This sub-function covers the installation provided BOS funded activities in support of mobilization and Reserve Coordination activities. During FY 2003, the Cost Account Code (CAC) for this sub-function for FY 2004 was rewritten to include all costs associated with personnel mobilization assignments,

officer and enlisted classification, implementation of mobilization plans, and Reserve Coordination.

MILPERS Training Support: Within this sub-function are the installation provided BOS-funded activities in support of training military personnel.

Progress in FY 2003

During FY 2003, the Command and Staff IPT was reconstituted in an effort to examine the diverse functional areas within this Core Business Area, less the Resource Management and Information Technology Services functions, which already have separate, standing IPTs. Under the Command and Staff IPT, chaired by the CNI staff, the sub-functions within MILPERS Services are addressed as a part of the IPT's work. The IPT Chair briefed the IMWG in September 2003 on progress to date. The IMWG provided additional direction to the Command and Staff IPT to define the outputs for the various sub-functions before moving to the step to develop metrics for each of these sub-functions. Additional work by this IPT is anticipated in FY 2004.

Significantly, during the FY 2003 (January 2003) OPNAV N46 development of its POM-04 Baseline Assessment Memorandum (BAM), the OPNAV N46 staff prepared a separate enclosure to address the specific Navy SIM requirements for MILPERS Services. This provided the initial highlighting of these requirements as separate elements with the overall Base Operating Support requirements for SIM. The POM-04 BAM submission covered the MILPERS Services sub-function requirements for FY 2004 through FY 2009. However, for FY 2003, these requirements had been part of the overall OBOS requirements submitted as a part of the OPNAV N46 PR-03 BAM submission in February 2001. MILPERS Services was included within SII "OB" and partially within the requirement stated under "Command Support." The next appearance of the details of these sub-functions came in the FY 2003 obligations. The majority of the costs associated with this function are civilian labor costs.

During the CNI establishment, decisions were made on what functions and activities remained as "Mission" funded under the divesting claimants and on those there were truly BOS and should be

transferred to CNI. Several of these decisions were significant for the MILPERS Services functional area. For FY 2004, PSA Europe, PSA Norfolk, PSA Pacific, and PSA West will all realign under CNI.

Assessment and Performance

MILPERS Services BOS Direct Funding Obligations from IMAP		
	FY 2002 Obligations	FY 2003 Obligations
Pay and Personnel Support	\$44.460M	\$48.105M
Restricted Barracks	\$18.4K	\$3.4K
Brigs	\$2.385M	\$2.174M
TPU Admin	\$0.917M	\$1.055M
Reserve/Coordination/Mobilization	\$5.417M	\$7.246M
MILPERS Training Support	\$3.459M	\$8.175M
TOTAL MILPERS Services	\$56.556M	\$66.758M

Pay and Personnel Support: This sub-function was included in the OPNAV N46 BAM submission for PR-03 as a part of the MILPERS Services under Community Support and as a portion of SII "OB" in PR-03 as it was previously for POM-02. That requirement for FY 2003 came to a total of \$954K, or 33% less than the \$1.5M requirement submitted in POM-02. It should be noted that neither of these requirements for FY 2002 or FY 2003 addressed the OPNAV N1 resource sponsored funding. These requirements were included in the subsequent POM-04 BAM submission for FY 2004 and beyond. For FY 2003, the total obligations recorded in IMAP for the Pay and Personnel Support sub-function were \$48.105M. The COMLANTFLT Personnel Support Activities (PSA) and Personnel Support Detachments (PSD) accounted for over \$37.78M of this total. As with last year's report, there is no apparent consistency in reporting across the Navy in this sub-function.

Restricted Barracks Administration: This sub-function is actually very small in terms of requirements and obligations. There is but one Cost Account Code (CAC) here for Restricted Barracks Administration. This sub-function was also included under MILPERS Services in the OPNAV N46 BAM submission for FY 2003 in PR-03. The requirements for FY 2003 were stated as \$32K, or almost double

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that for FY 2002 (\$18.4K). The actual FY 2003 total IMAP BOS direct obligations are only \$3.4K, significantly less than the \$18.4K reported in FY 2002.

Brigs: The overall requirements for the Brigs sub-function were included within the Force Protection function under Public Safety in the BAM submission for PR-03. For FY 2003, the total requirement submitted for Brig operations was \$2.03M, which was nearly twice the requirement stated for FY 2002. The actual FY 2003 obligations for the Brigs are \$2.174M, which is slightly less than the FY 2002 expenditures of \$2.385M. Thus, for FY 2003 the Brig requirement and obligations were much better aligned than in FY 2002.



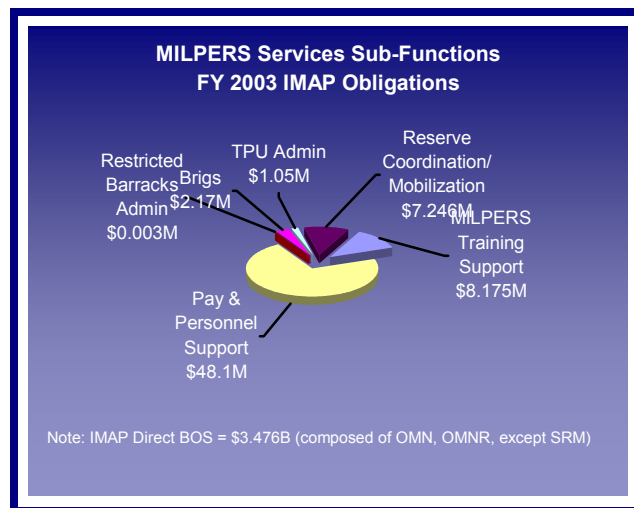
MILPERS Services Funding			
FY 2003	FY 2003	FY 2003	FY 2003
Full Mission Requirement from IMCs	OPNAV N46 BAM Requirement	Special Interest Item for "OB" (For FY 2004, SH = "MS")	IMAP Obligations
\$7.814M	\$7.033M		\$66.758M

TPU Administration: The requirements for TPU Administration activities in the BAM submission for PR-03 were included in the Command function under Command Support (now Command and Staff). The FY 2003 requirement was submitted as \$2.234M or over 100% greater than the FY 2002 requirement of \$1M. The actual IMAP direct BOS obligations for FY 2003 are \$1.055M or slightly more than the \$917K obligations for FY 2002. Thus, the overall requirement submitted for FY 2003 was not in line with overall Navy SIM requirements. Of note, in the POM-04 BAM submission, the OPNAV N46 stated required for FY-04 was back to a more realistic \$1.269M.

Reserve Coordination/Mobilization: The Reserve Coordination/Mobilization requirements were submitted under the Other Mission Support Core

Business Area in the PR-03 BAM for FY 2003. The total requirements were stated at only \$304K, or twice the FY 2002 requirement of \$160K. The actual IMAP direct BOS obligations for FY 2003 totaled just over \$7.246M with 88% of that total from OM,NR funding within COMNAVRESFOR, primarily in support of Operation Iraqi Freedom.

MILPERS Training Support: The MILPERS Training Support requirements for FY 2003 were included in the PR-03 BAM submission under Other Mission Support. The FY 2003 requirement was stated at \$1.48M. The recorded IMAP BOS direct obligations for FY 2003 came to \$8.175M with over \$6.88M obligated under COMNAVRESFOR with OMN,R funding. These increased obligations were again the direct result of support for Operation Iraqi Freedom.



MILPERS Services:

- Funded at C-3 readiness rating and performance not measured for FY 2003.
- Met mission requirements in another wartime support environment and a period of increased demand.
- Over two-thirds of the MILPERS obligations were for the Pay and Personnel Support sub-function, with most of these requirements not originally accounted for in OPNAV N46 BAM submission.
- Significant increases in the FY 2003 OMNR spending by NAVRESFOR to support Operation Iraqi Freedom.
- Increased visibility for this function required and in progress starting with the POM-04 BAM submission.